

CHRONO

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8 May 1985

NOTE FOR: Director, Office of Legislative Liaison
Deputy Director, Office of Legislative Liaison
Chief, Liaison Division/OLL

FROM:

STAT

Chief, Legislation Division/OLL

SUBJECT: "Budget Request" of the House Permanent
Select Committee on Intelligence (HPSCI)

1. Attached is a copy of the "budget request" from HPSCI which was submitted by Chairman Hamilton to the Committee on House Administration.

2. I direct your attention to the last budget item on page 268 and the legislative goals of the Committee as set forth on page 269.

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Attachments
as stated

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99TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
99-21

PROVIDING AMOUNTS FROM THE CONTINGENT FUND OF THE HOUSE FOR
EXPENSES OF INVESTIGATIONS AND STUDIES BY STANDING AND
SELECT COMMITTEES OF THE HOUSE IN THE FIRST SESSION OF THE
NINETY-NINTH CONGRESS

MARCH 20, 1985.—Referred to the House Calendar and ordered to be printed

Mr. GAYDOS, from the Committee on House Administration,
submitted the following

REPORT

[To accompany H. Res. 100]

The Committee on House Administration, to whom was referred the resolution (H. Res. 100) providing amounts from the contingent fund of the House for expenses of investigations and studies by standing and select committees of the House in the first session of the Ninety-ninth Congress, having considered the same, report favorable thereon with an amendment and recommend that the resolution as amended do pass.

The amendment is as follows:

Strike out all after the resolving clause and insert in lieu thereof the following:

That there shall be paid out of the contingent fund of the House in accordance with this primary expense resolution not more than the amount specified in section 2 for investigations and studies by each committee named in such section, including expenses—

(1) in the case of a committee named in section 3, for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946; and

(2) in the case of a committee named in section 4, for provision of assistance for members of professional staff in obtaining specialized training under section 202(j) of such Act.

SEC. 2. The committees and amounts referred to in the first section are: Select Committee on Aging, \$1,454,308; Committee on Agriculture, \$1,489,556; Committee on Armed Services, \$1,464,549; Committee on Banking, Finance and Urban Affairs, \$2,848,653; Select Committee on Children, Youth, and Families, \$721,000; Committee on the District of Columbia, \$305,354; Committee on Education and Labor, \$3,141,584; Committee on Energy and Commerce, \$4,640,970; Committee on Foreign Affairs, \$2,589,086; Committee on Government Operations, \$2,664,122; Committee on House Administration, \$995,000; Committee on House Administration—House Information Systems, \$8,120,578; Select Committee on Hunger, \$616,970; Permanent Select Committee on Intelligence, \$64,300; Committee on Interior and Insular Affairs, \$1,602,027; Committee on the Judiciary, \$1,828,705; Committee on Merchant Marine and Fisheries, \$1,936,948; Select Committee on Narcotics Abuse and Control, \$662,952; Committee on Post Office and Civil Service, \$1,460,218; Committee on

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Through its field hearings, home visits, program site visits, staff studies and Washington hearings the Committee laid the basis for expanded work on domestic hunger issues.

Both in regard to hunger in the United States and hunger in the developing world, the Committee worked to expand the involvement of the private sector. A private sector advisory board was established and the Chairman and Ranking Minority Member worked successfully to encourage the pharmaceutical industry to donate supplies needed to combat malnutrition and its effects. The Committee also co-sponsored an International Management and Development Institute leadership conference on the corporate role in ending hunger.

Originally several Members of the Committee opposed the creation of the Committee as unnecessary. By December however, all Members of the Committee favored its reauthorization for the 99th Congress.

JUSTIFICATION FOR FUNDING REQUEST SUBMITTED BY THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

In a budget, submitted to the Committee on House Administration, the Honorable Lee H. Hamilton, Chairman of the Permanent Select Committee on Intelligence, outlined the committee's need for funds as follows:

The Committee's request for 1985 represents a reduction in the amount approved for the Committee's operations in 1984. The request is for \$64,300, a reduction of \$19,100 for the amount approved for 1984. Further, in all but one recurring category, that of publications, the Committee's request for each budget category is the same or less than it was in 1984.

The Committee has budgeted \$5,000 for Member and staff travel in 1985. In 1984, the Committee expended \$2,323.49 for travel. However, in 1983, this amount was \$5,872.63. The Committee believes that \$5,000 is necessary because the Committee's ten new Members likely will wish to avail themselves of the opportunity to visit intelligence facilities. Moreover, there are now two more Members on the Committee (16) than in the previous Congress (14). Further, as in the past, a substantial amount of travel expenses are attributable to staff travel. The Committee has always encouraged travel by Members and staff for the purpose of budget and oversight review.

The Committee is requesting \$1,000 for expenses of witnesses related to hearings. In 1984, the Committee spent \$395.85 in this category. In 1983, the Committee spent \$580.72. Expenditures for witness travel will be used by the Committee both for hearings and interviews of persons providing information to the Committee. The Committee has reduced its request from 1984 in this category by 50 percent and expects to use the requested sum of \$1,000.

The Committee is requesting \$5,000 for consultant fees. The Committee has only infrequently employed consultants, but anticipates that the debate raised by the President's proposal for changes in the income security and retirement benefits of Federal employees will necessitate review of present and possible intelligence community retirement and benefit systems. In this context, the Committee

wishes to be able to consult with specialists in the area of retirement programs and particularly to consider the comparability of various proposals in this area. Based on the Committee's limited previous experience with consultants which it has used, it believes that \$5,000 is a reasonable figure for this purpose.

For equipment, the Committee is requesting \$36,300 for its word processing, typewriting and xerox equipment. In 1984, the Committee spent \$44,587.49 for the use of its equipment. This expenditure is expected to decrease to \$33,000 in 1985. In addition, the Committee contemplates the purchase of additional dictation and transcription equipment and miscellaneous security-related equipment.

In the security area, the Committee is interested in purchasing projection equipment (VCR, associated monitoring equipment and projection screen) which will remain permanently on the Committee's premises and obviate the need for the use of executive branch equipment for these purposes. The Committee feels that the best security practice would be to purchase equipment which will remain under the exclusive control of the Committee and which will not leave its premises. The Committee also wishes to install security devices on each of its telephone lines. Those devices, called "sand-bars", are security line circuits for regular telephones. They prevent the transmission of any signal on a telephone line when the receiver is in its cradle.

In 1985, the Committee requests \$6,000 for stationery and supplies. For 1984, the Committee expended \$4,114.22 in this category. The comparable figure in 1983 was \$5,982.17. The Committee believes that in the first year of a new Congress, the figure of \$6,000 is realistic, in light of its previous experience.

For telephone and telegraph expenses in 1985, the Committee requests \$2,500. In 1984, the Committee expended \$1,679.05. The comparable figure for 1983 was \$1,839.11. The Committee's request of \$2,500 is \$500 less than it was in 1984 and represents an amount the Committee could approach in telephone and telegraph costs.

For publications, the Committee is requesting \$5,500. In 1984, the Committee requested \$4,000 and spent \$3,560.83. In 1983, the Committee spent \$3,557.44. The Committee anticipates several new subscription costs and a one-time purchase of several reference works in the armaments and aerospace area for the use of the Program and Budget Authorization Subcommittee.

In 1985, the Committee requests \$2,000 for miscellaneous expenses. In this category in 1984, the Committee spent \$1,032.78. A comparable figure in 1983 was \$1,181.54. The Committee believes that \$2,000 remains an appropriate figure in this category.

The Committee is also requesting, for the first time, \$1,000 in representational funds for certain limited purposes. These funds would be used to meet with foreign parliamentary delegations that from time to time seek meetings with the Committee and for periodic informal discussions in the Capitol with top national security officials. The importance of the latter type of meeting cannot be understated in light of the generally poor relationship between Congress and certain elements of the intelligence community. One way to improve such relations would be through informal, off-the-record meetings that offer non-confrontational opportunities to build trust between the two branches. The large number of senior

House Members who sit on the Committee have many other assignments which also occupy their attention. Holding such meetings in the Capitol can also make the least demand of their time. I urge the Subcommittee to consider carefully the need for these funds and approve their use as I have proposed.

With the funds listed above, the Committee will conduct its annual review of the intelligence and intelligence-related budget proposals and report out a budget authorization bill reflecting its deliberations on that request. 1985 will be a pivotal year for such a review and will focus on the cost effectiveness of the vast amount of intelligence which is collected by the intelligence community. The Committee stated last year that the rates of increase provided to the Intelligence Committee budget in recent years cannot be sustained. 1985 will be a year in which this prediction must be taken into full account.

In the area of oversight, the Committee will devote particular attention to the process of developing and producing national intelligence estimates, the premier art form of the U.S. intelligence community. The Committee will also address the usefulness and effect that intelligence products has on those to whom it is provided. In addition, a number of classified inquiries will look at new intelligence requirements, the great expansion of U.S. technical collection capability, and the use of certain intelligence techniques in the area of covert action.

In the area of legislation, the Committee will review and oversee the implementation of intelligence statutes such as the Foreign Intelligence Surveillance Act, the CIA Information Act, the Classified Information Procedures Act, the Foreign Corrupt Practices Act, and other intelligence authorities provided by FBI, DoD, and CIA intelligence guidelines. The Committee expects to consider legislative proposals relating to the CIA Retirement and Disability System, intelligence use of the polygraph and pre-publication review, warrantless physical searches for foreign intelligence purposes, and criminal law provisions having impact on intelligence activities.

LEE H. HAMILTON, *Chairman.*

TRAVEL

During 1985, all Members of the Committee and up to nine members of the Committee staff are expected to travel abroad or in the United States. Such trips will be for general oversight, programmatic or budget review purposes. Only recently, two Members of the Committee and two members of the Committee staff traveled to Europe for a one-week period to visit a number of intelligence facilities. Other Members of the Committee recently have traveled to Africa and Europe. Four separate staff groups traveled to Central and South America, Europe and the Far East. Regular staff trips in the United States occurred during 1984.

In addition to similar trips likely to occur in 1985, the Committee anticipates that several Members of the Budget Subcommittee will travel frequently in the United States to visit intelligence facilities and will be accompanied by staff for this purpose. The large number of new Members of the Committee suggest that there will